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PASS TO BREMER/GOMPERT FOR THE SECRETARY

KISSINGER TO PRESS SHAH ON OIL COSTS - BY JACK ANDERSON

SECRETARY OF STATE HENRY A. KISSINGER WILL HOLD CRUCIAL DISCUSSIONS IN TEHRAN THIS WEEKEND WITH THE SHAH OF IRAN, WHO HAS THE POWER TO BRING THE STRATOSPHERIC COST OF OIL BACK DOWN TO EARTH.

THE SHAH HAS BECOME ONE OF THE WORLD'S MOST RECKLESSLY GREEDY, UNBELIEVABLY WEALTHY RULERS. HE SPEARHEADED THE MOVE TO QUADRUPE OIL PRICES, AND HE STILL ISN'T SATISFIED. HE HAS HINTED THAT THE OIL-PRODUCING NATIONS SHOULD CHARGE EVEN HIGHER PRICES.

HIS MORE RESPONSIBLE NEIGHBOR, SAUDI ARABIA'S KING FAISAL, IS WORRIED THAT SOARING OIL COSTS COULD ENDANGER THE INDUSTRIAL WEST. HE HAS WRITTEN A PRIVATE LETTER TO THE SHAH, WARNING THAT NEITHER KINGDOM WILL LAST IF THE WEST IS PLUNGED INTO ECONOMIC CHAOS BY EXORBITANT OIL COSTS. TO ADD EMPHASIS TO THE WARNING, KING FAISAL DELIVERED HIS LETTER TO TEHRAN IN PERSON.

SAUDI ARABIA AND IRAN PRODUCE ALMOST HALF OF THE OIL THAT IS PUMPED BY THE 13 NATIONS OF THE OIL CARTEL. THUS, THEY COULD BREAK THE OIL SQUEEZE BY ACTING TOGETHER TO CUT PRICES.

AT LOWER LEVELS, REPRESENTATIVES OF THE TWO OIL KINGDOMS ARE DISCUSSING A JOINT PRICE REDUCTION. BUT THE SHAH KEEPS TALKING ABOUT HIGHER, NOT LOWER PRICES.

HE IS DETERMINED TO USE HIS ENORMOUS OIL WEALTH TO MAKE HIMSELF A WORLD POWER. LAST YEAR ALONE, HE SPENT \$4 (FOUR) BILLION FOR U.S. MILITARY EQUIPMENT. THIS HAS MADE IRAN THE NO. 1 MILITARY POWER IN THE STRATEGIC PERSIAN GULF.

KISSINGER HAS GONE TO TEHRAN, ACCORDING TO STATE DEPARTMENT SOURCES PREPARED TO TREAT THE SHAH AS A MILITARY ALLY AND PROTECTOR OF U.S. INTERESTS IN THE GULF. KISSINGER IS COUNTING HEAVILY UPON THE SHAH'S GOODWILL TO LOWER OIL PRICES.

THIS IS CONTRARY TO THE ADVICE OF AT LEAST ONE TOP POLICY-MAKER. TREASURY SECRETARY WILLIAM E. SIMON, WHO FEARS KISSINGER HAS UNDERESTIMATED THE SHAH'S GREED AND AMBITION. IF THE SHAH REFUSES TO BRING DOWN HIS PRICES, SAY OUR SOURCES, SIMON WANTS TO RETALIATE BY QUADRUPLING THE PRICE IRAN MUST PAY FOR U.S. ARMS AND WHEAT.

NOT EVEN THE CENTRAL INTELLIGENCE AGENCY, WHICH SAVED THE SHAH'S THRONE IN 1957 HAS HAD ANY INFLUENCE WITH HIM ON OIL PRICES. THE LATE CIA CHIEF ALLEN DULLES FLEW TO ROME 14 YEARS AGO AND PLOTTED WITH THE SHAH'S SISTER, PRINCESS ASHRAF, TO OUST IRANIAN PREMIER MOHAMMED MOSSADEGH. THIS PREVENTED THE SHAH'S OVERTHROW.

ON-FILE NSC RELEASE
INSTRUCTIONS APPLY

HE SHOWED NO OBJECTION TO DECLASSIFICATION 2009/10/09 : LOC-HAK-262-1-31-5
MITTED THE CIA TO INSTALL RADIO AND TELEMETRY INTERCEPTORS,
LONG-RANGE RADAR DEVICES AND OTHER HIGH-POWERED ELECTRONIC
EQUIPMENT IN HIS COUNTRY.

AFTER THE GREEK MILITARY JUNTA WAS OUSTED EARLIER THIS YEAR,
THE CIA PULLED MANY OF ITS FACILITIES OUT OF ATHENS AND MOVED
THEM TO TEHRAN. THE CIA ALSO WORKS CLOSELY WITH SAVAK, THE
SHAH'S SECRET POLICE.

YET THE CIA HAS LOST THE HOLD IT ONCE HAD ON THE SHAH. "HE WAS
OUR BABY," A CIA SOURCE TOLD US, "BUT NOW HE HAS GROWN UP."

IT REMAINS A MYSTERY, MEANWHILE, HOW THE SHAH HAS ALWAYS
MANAGED TO WORK HIS WAY IN WASHINGTON. HE HAS BEEN ABLE TO
GET JUST ABOUT WHAT HE WANTS FROM THE UNITED STATES. "IT HAS
BEEN A ONE-WAY STREET," A CABINET OFFICER SAID.

ONE ALARMING POSSIBILITY, NEVER FULLY PROVED, IS THAT THE
SHAH HAS PAID OFF TOP AMERICAN OFFICIALS. HERE ARE THE ALLEGA-
TIONS, WHICH HAVE BEEN VIGOROUSLY DENIED:

A FORMER JUSTICE DEPARTMENT OFFICIAL, WHO HAS TRAVELED
EXTENSIVELY IN IRAN, REPORTED TO THE SENATE WATERGATE COMMIT-
TEE THAT THE SHAH HAD DELIVERED HUGE SUMS TO FORMER PRESIDENT
NIXON. WE CONTACTED THE OFFICIAL WHO DESCRIBED HIS SOURCES TO
US IN CONFIDENCE. "I AM CERTAIN IN MY OWN MIND," HE WROTE US,
"THAT IF THEIR NAMES CAME OUT, THEY WOULD BE IN PRISON OR DEAD
WITHIN 24 HOURS." WE CAN SAY ONLY THAT HIS SOURCES ARE HIGH
IN THE IRANIAN GOVERNMENT. THE WATERGATE COMMITTEE NEVER GOT
AROUND TO INVESTIGATING THE CHARGES.

WE SPENT SIX MONTHS CHECKING INTO REPORTS THAT THE SHAH
HAD FUNNELED MONEY INTO THE NIXON RE-ELECTION CAMPAIGN BY WAY
OF MEXICO. WE MADE CALLS TO TEHRAN, GENEVA, BONN, MEXICO CITY
AND OTHER PLACES. SEPARATE SOURCES, ALL OF THEM ANTI-SHAH
AND THEREFORE SUSPECT, TOLD US THAT THE SHAH HAD TRANSFERRED
MORE THAN \$1 (ONE) MILLION FROM HIS PERSONAL, NUMBERED
ACCOUNTS IN SWITZERLAND TO THE BANCO DE LONDRES Y MEXICO IN
MEXICO CITY FOR DELIVERY TO THE NIXON CAMPAIGN. SWISS BANKING
SOURCES CONFIRMED THAT THE SHAH HAD SENT MONEY TO MEXICO FROM
THE SCHWEIZERISCHE BANK GESELLSCHAFT. WE COULD GET NO RELIABLE
CONFIRMATION, HOWEVER, THAT THE MONEY EVER REACHED ANYONE CONNECTED
WITH MR. NIXON.

A FORMER AIDE TO VICE PRESIDENT HUMPHREY TOLD US HE HAD
BEEN APPROACHED BY AN EMISSARY OF THE SHAH DURING THE 1968
PRESIDENTIAL CAMPAIGN. THE EMISSARY ASKED WHETHER HUMPHREY
WOULD LIKE A CAMPAIGN CONTRIBUTION FROM THE SHAH, BUT THE
APPROACH WAS REJECTED.

AN EXILED IRANIAN LEADER NAMED KYBER KHAN TESTIFIED BEHIND
CLOSED SENATE DOORS IN 1963 THAT THE SHAH HAD GIVEN MILLION-
DOLLAR CONTRIBUTIONS TO A LIST OF DISTINGUISHED AMERICANS.
KHAN PRODUCED PHOTOSTATS OF SECRET SWISS BANK RECORDS. SENATE
INVESTIGATORS WERE NEVER ABLE TO CONFIRM THE CHARGES, AND
IT IS POSSIBLE THAT THE RECORDS HAD BEEN FORGED.

WASHINGTON, MEANWHILE, IS CONTINUING ITS POLICY OF PLACAT-
ING THE SHAH WHILE HE HURTS THE U.S. WITH HIS OIL SQUEEZE.

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